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SENSITIVE

SIPDIS

STATE FOR NEA/ARP (HARRIS)
DEPT PASS TO EXPORT-IMPORT BANK (BIJAN KIAN)

E.O.12958: N/A

TAGS: ECON EPET SOCI SA

SUBJECT: EX-IM BANK DISCUSSES \$2 BILLION ARAMCO FACILITY, U.S.
EXPORTS TO THE EASTERN PROVINCE

¶1. (SBU) Summary: U.S. Export-Import Bank Director Bijan Kian visited Dhahran June 25-28 to meet with business leaders in the Eastern Province. Kian discussed next steps towards signing a \$2 billion facility with Saudi Aramco and explored other export opportunities for U.S. goods and services in the Eastern Province. End summary.

Meetings with Aramco

¶2. (SBU) Saudi Aramco President and CEO, Mr. Khalid al-Falih, hosted Kian for a lunch which included the Consul General, General Counsel, Treasurer, Vice President of Saudi Aramco Affairs, and General Manager of Corporate Finance Project Development. Al-Falih said he was pleased about the possibility of the \$2 billion Ex-Im Bank facility, and he inquired about a potential facility for the King Abdullah University of Science and Technology (KAUST). Kian expressed interest in the opportunity, and Al-Falih extended an invitation to Kian for the KAUST opening on September 23.

¶3. (SBU) Saudi Aramco's Treasurer, Mr. Motassim A. Al-Maashouq, told Kian that Aramco is interested in signing an MOU on a facility with the Export-Import Bank. Kian explained the structure of the facility, including reach back, tenure, and pricing options. Al-Maashouq concluded that Aramco would continue to look at the MOU, and hold more detailed discussions on the facility, possibly in Washington, DC. Al-Maashouq noted the MOU was a "paradigm shift" for the company, and said drawing on facilities was not a core part of their liquidity management. "They need to better understand how it would fit into Aramco's financing structure and planning," he said.

Meeting with al-Mana Hospitals

¶4. (SBU) In his meeting with Mr. Ebrahim al-Mana, Board Chairman of al-Mana Hospitals Group, Kian learned about the Group's expansion plans. Though the Group is not in need of financial assistance, he said, they are talking with advisors (a U.S. company) about eventually going public. The group has four hospitals with 200 beds in each, with plans to expand to 1,000 beds total. He said they have 400 doctors and 1,200 registered nurses on staff. Fifty of the doctors specialize in orthopedic surgery, and the group uses prosthetic limbs from the U.S. company Zimmer. Al-Mana said the company needs to expand outside of the Eastern Province.

¶5. (SBU) When asked about intravenous fluid supplies in Saudi Arabia, al-Mana said there is one supplier in Jeddah and one in the UAE. Demand for IV fluid in the region is high, and he claimed IV fluid is not currently available in ambulances in the Kingdom (NB: Our Health Unit says some ambulances in Riyadh do carry IV fluid). The al-Mana Group manufactures small amounts of IV fluid, in addition to radiology equipment. Their small manufacturing facility has 100 employees, 40 of whom are Saudi. Kian noted other opportunities for U.S. exporters in the Kingdom, including small

health care consulting firms and incinerator producers. Al-Mana said he had invested in a water treatment and oil field chemicals production plant in the Eastern Province with Nalco, a U.S. company based outside Chicago.

Commercial opportunities for U.S. companies abound

¶6. (SBU) Kian attended a dinner at the family majlis of the firm al-Yousef al-Dossary & brothers, where participants discussed the economic crisis, the banking sector in the Kingdom, and U.S.-Saudi Arabia trade issues. Members of the powerful and influential al-Dossary family expressed strong preferences for U.S. goods and services and noted abundant business opportunities in the Eastern Province for Saudi and U.S. firms. The al-Dossary present all agreed there is a strong need for more trade expos and reverse trade missions with U.S. exporters in the Eastern Province. Kian and the Consul General discussed holding a workshop on Islamic banking to increase mutual understanding on the subject.

ERDMAN